

Alaska Health Care Commission
Findings Regarding Medical Malpractice Liability Reform in Alaska

The Commission studied the question of the need for medical malpractice liability reform in 2012, and found that the reforms enacted by the Alaska legislature in 1997 and in 2005 made a positive impact on the cost of medical liability coverage for Alaska's medical sector.

The Commission heard testimony from Jim Jordan, then Executive Director of the Alaska State Medical Association, and top executives of Alaska's two medical liability carriers (Andy Firth, CEO of MIEC, and Neil Simons, Vice President of NORCAL). The Commission found that the reforms enacted by the Alaska legislature in 1997 under the Alaska Tort Reform Act, and in 2005 under the Alaska Medical Injury Compensation Reform Act, made a positive impact on the cost of medical liability coverage for Alaska's medical sector.

The Commission's official findings from their analysis are below, followed by reference documents reviewed at the time.

Findings:

- ▶ Alaska's medical malpractice environment is relatively stable, supported by:
 - The 1997 Alaska Tort Reform Act
 - The 2005 Alaska Medical Injury Compensation Reform Act
 - Alaska Civil Rule 82
- ▶ Clinicians in two of Alaska's three medical sectors, the Tribal Health System and the Department of Defense/Veterans Affairs, are covered for medical liability under the Federal Tort Claims Act (FTCA) and are not subject to state tort law when acting within the scope of their official duties.
- ▶ Alaska's malpractice reforms to-date appear to have made an impact on the cost of medical liability coverage for Alaska's private medical sector.
 - In 1996 medical professional liability rates for physicians in Alaska were approximately two times those in northern California (considered the "gold standard" in liability reform)
 - Today, in 2012, Alaska's medical liability costs are in line with those in northern California.
- ▶ Alaskan health care administrators report anecdotally a positive impact on physician recruitment due to the positive malpractice environment in the state.
- ▶ Cost savings associated with defensive medicine practices are more difficult to identify because there are other contributors to these practices beyond the threat of litigation. Other factors that may influence defensive medicine practices include physician training and culture, fee-for-service reimbursement structures, and financing mechanisms that insulate patients from the cost of health care services.

Reference Documents (access link by clicking with the ctrl key):

- [Firth, Holmes. "Malpractice Relief: Lower Premiums, Tort Reform Add to Alaska's Appeal." Alaska Medicine, Sept 2009](#)
- [2011 Malpractice Coverage Premium Comparisons](#)
- [Alaska Legislative Research Memo on Impact of Tort Reform. January 27, 2012](#)
- [Massachusetts Medical Society 2011 Physician Practice Environment Report](#)